



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

**Ernie Fletcher**  
Governor

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**Mark D. Birdwhistell**  
Secretary

**Glenn Jennings**  
Commissioner

March 13, 2007

**TO: DME (90) Provider Letter Number A-31**

**RE: DME Changes to Regulation  
907 KAR 1:479**

Dear *KyHealth Choices* Provider:

The Department for Medicaid Services (DMS) will be implementing program changes for the Durable Medical Equipment (DME) program effective March 15, 2007. The purpose of this letter is to introduce the changes made to 907 KAR 1:479 Section 7(1)(a) (b). The regulation and fee schedule may be reviewed on our website at [www.chfs.ky.gov/dms/kyhealthchoices.htm](http://www.chfs.ky.gov/dms/kyhealthchoices.htm).

A summary of the DME changes are as follows:

1. Prior authorization shall be required for items billed to the department at \$300 or more and/or as designated on the DME fee schedule. This is an increase from the previous amount of \$150 or more.
2. Oxygen services after twelve (12) months of continuous service for the member with a Durable Medical Equipment company will no longer require a prior authorization. Long term care facility stays which have resulted in O2 use do not qualify as part of the 12 continuous month requirement.
  - Affected HCPCS codes are: E0424; E0431; E0434, E0439, E0450, E0460, E0463, E0464, E1390, E1391 and E1392.
  - Beginning with the thirteenth (13) month of continuous oxygen services for the member, claims for these services should show the modifier RR in addition to placing a new modifier EJ for these services.
  - Initial Oxygen services for a member will require prior authorization until the above requirement is met. The RR modifier alone will be used when billing the department for these services.
  - All Oxygen services continue to be rental only.

(Please see reverse side)



*KyHealth Choices* Provider

March 13, 2007

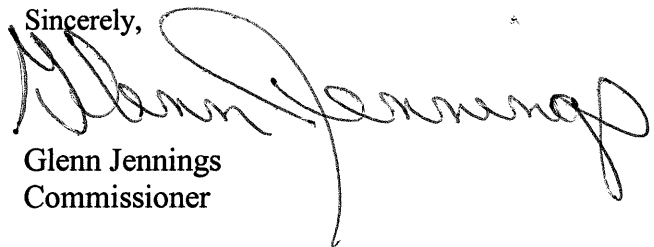
Page two

3. There are no changes in the prior authorization process for other rentals. The RR modifier will continue to be required for these items.
4. Please review the DME fee schedule with revision date 2/07 posted on the web site for the codes that no longer require prior authorization or have been removed for billing as a rental item. Some quantity limits have changed with this revision along with the addition of new codes for 2007.
5. For the new power mobility codes K0800 through K0864 and K0890 through K0891, a list of the basic package requirements is enclosed and will be posted on the DME website.

If you have questions, concerns or issues relating to policy or claims billing process, please contact your *KyHealth Choices* provider representative at (800) 807-1232.

Thank you for your continued participation and support of *KyHealth Choices*.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Jennings", written over a horizontal line.

Glenn Jennings  
Commissioner

Enclosure

Xc: DME (90) Provider Letter Number A-31

GJ/CB/amd00201